VZCZCXYZ0006 PP RUEHWEB

DE RUEHTV #3286/01 3201137 ZNR UUUUU ZZH P 161137Z NOV 07 FM AMEMBASSY TEL AVIV TO RUEHC/SECSTATE WASHDC PRIORITY 4191 RHEHAAA/WHITE HOUSE WASHDC PRIORITY RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAHQA/HQ USAF WASHINGTON DC PRIORITY RUEADWD/DA WASHDC PRIORITY RHMFIUU/CNO WASHINGTON DC PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RUEHAD/AMEMBASSY ABU DHABI PRIORITY 3012 RUEHAS/AMEMBASSY ALGIERS PRIORITY 9691 RUEHAM/AMEMBASSY AMMAN PRIORITY 3167 RUEHAK/AMEMBASSY ANKARA PRIORITY 3796 RUEHLB/AMEMBASSY BEIRUT PRIORITY 3040 RUEHEG/AMEMBASSY CAIRO PRIORITY 1121 RUEHDM/AMEMBASSY DAMASCUS PRIORITY 3764 RUEHLO/AMEMBASSY LONDON PRIORITY 0630 RUEHFR/AMEMBASSY PARIS PRIORITY 1095 RUEHRB/AMEMBASSY RABAT PRIORITY 7672 RUEHRO/AMEMBASSY ROME PRIORITY 5125 RUEHRH/AMEMBASSY RIYADH PRIORITY 0045

RUEHTU/AMEMBASSY TUNIS PRIORITY 4186 RUCNDT/USMISSION USUN NEW YORK PRIORITY 6124 RUEHJM/AMCONSUL JERUSALEM PRIORITY 8425 RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 003286

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

SIPDIS

E.O. 12958: N/A TAGS: <u>OPRC KMDR</u> <u>IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

Various media, including Israel TV and Channel 10-TV, reported that Secretary of State Condoleezza Rice will visit the region before the

STPDTS

Annapolis meeting. Israel Radio quoted the Kuwaiti newspaper Al-Jarida as saying that the U.S. is considering postponing the meeting as Arab countries are only prepared to send mid-level representatives to the gathering. Yediot quoted a senior State Department official as saying on Thursday that Syria and Saudi Arabia will participate in the meeting. Ha'aretz and other media reported that on Thursday senior Russian officials told their Israeli counterparts that Syria will participate in the Annapolis meeting, even with a low-level delegation. Israel Radio reported that Israel welcomes Syria's participation in the meeting, but insists that Syria must understand that the Palestinian issue will be its main topic. Ha'aretz quoted Israeli sources as saying that Russia has asked Israel to include in the joint declaration a statement that the summit is the first step of a regional diplomatic effort for Israel to achieve peace with its neighbors.

Ha'aretz quoted Palestinian sources as saying that Saudi Arabia is furious that Israel is not willing to mention in Annapolis' concluding remarks the Arab League peace proposal as a take-off point toward final-agreement negotiations. Maariv reported that PM Olmert may not let Defense Minister Ehud Barak attend the meeting. Makor Rishon-Hatzofe reported that the right wing is increasing its opposition to Annapolis.

The Jerusalem Post reported that the defense establishment has warned against making goodwill gestures to PA Chairman [President] Mahmoud Abbas ahead of Annapolis. The Jerusalem Post also added that Shin Bet officials have warned that Abbas might be tempted to "blow up" the meeting under the pretext that Israel was not making enough concessions. Maariv cited Israel's concern that the US may demand that Israel release 2,000 Palestinian prisoners during the Annapolis meeting.

Makor Rishon-Hatzofe reported that PM Ehud Olmert is considering reopening the Orient House in East Jerusalem. The house was home to the PLO during the 1990's and was closed by Israel at the start of the second Intifada.

PLO negotiator Saeb Erekat was quoted as saying in an interview with The Jerusalem Post that he rejects PM Olmert's call for an explicit Palestinian recognition as the "Jewish state," saying he was baffled as to why Olmert wanted to "poke us in the eye" over the issue.

Maariv reported that Israel and Syria have officially designated Turkey to mediate between them.

Major media quoted the International Atomic Energy Agency as saying on Thursday that information about Iran's nuclear program is diminishing. Israel Radio reported that the U.S. has subsequently prodded the UN Security Council members to apply stronger sanctions on Iran. Yediot stressed the IAEA's declaration that Iran is cooperating with the agency. Strategic Affairs Minister Avigdor Lieberman was quoted as saying in an in an interview with The Jerusalem Post that the "unacceptable" IAEA report is further proof that IAEA head Mohamed ElBaradei is pro-Iranian. Makor Rishon-Hatzofe quoted Israeli diplomatic and military sources as saying on Thursday that Israel is bracing itself for the possibility of Iran turning nuclear.

Leading media reported that at the "Jerusalem Forum" held in Istanbul on Thursday, Hamas spokespersons warned Chairman Abbas not to concede anything in Jerusalem at Annapolis. Raed Salah, the leader of the northern branch of Israel's Islamic movement, said at the gathering that that all refugees will return to Jaffa and the Galilee.

Ha'aretz and Yediot quoted a senior aide to Britain's Prince Charles as saying that there is "no chance" the prince would ever visit Israel as such a visit would boost Israel's image.

Ha'aretz and other media reported that on Thursday IDF troops opened fire on a car carrying Qassam rocket launchers in the northern Gaza Strip, killing two and injuring five. Yediot and other media reported that Attorney General Menachem Mazuz has required the Israeli defense establishment to warn the PA two weeks in advance of disruptions of the power supply to Gaza.

The Jerusalem Post reported that on Thursday the northern West Bank outposts of Harhivi and Shvut Ami were evacuated without resistance.

Maariv reported that the construction of the West Bank security fence was stalled following the cancellation of a debate at the Prime Minister Office on Thursday.

Yediot quoted former PM Ariel Sharon's top advisor Dov Weisglass as saying in his testimony to the Winograd Commission that Sharon would not have started a war in July 2006.

All media reported that on Thursday a farmer from the Sharon area was critically wounded when he was stabbed by unknown assailants in a field. Media reported that police arrested Palestinian and Israeli-Arab suspects, and that the attack could have been carried out because of nationalistic or criminal motives.

All media reported on the continuing conflict between Justice Minister Daniel Friedmann and the High Court of Justice. Ha'aretz reported that Friedmann is drafting a bill that would limit the High Court's ability to rule on matters of government and defense policy. Leading media reported that the entire Labor Party stands behind the High Court.

Yediot and Maariv led with the ongoing crisis in the educational system and giant demonstration that is planned for Rabin Square in Tel Aviv on Saturday night. Yediot bannered an open letter by PM Ehud Olmert to the teachers, which contains promises of monetary compensation. Israel Radio reported that an agreement with the secondary school teachers' union may be signed today in Olmert's office.

Mideast:

 ${\tt Summary:}$

Diplomatic correspondent Aluf Benn wrote in the independent, left-leaning Ha'aretz: "Olmert's diplomatic target is a 'shelf agreement' in which the Palestinians will be coerced to sign an agreement."

Political parties correspondent Yossi Verter wrote in Ha'aretz: "People who have spoken with [Avigdor] Lieberman, the Minister of Strategic Affairs, during the last few days got the impression that he is taking most of the credit for transforming Annapolis from a formative event in the history of the Middle East to a 'get-together' lasting just a few hours."

Senior columnist and longtime dove Yoel Marcus wrote in Ha'aretz: "We exist, and we are a Jewish state. The Arab countries that attacked after Israel's Declaration of Independence did do because it was a Jewish state. We made peace with Egypt and Jordan in spite of being a Jewish state."

Editor-in-Chief David Horovitz wrote in the conservative, independent Jerusalem Post: "Israel committed a strategic error in not requiring that Palestinians to recognize Israel as the 'Jewish state' at the very start of the attempts at peace making almost 20 years ago."

Block Quotes:

¶I. "The Science of Hope"

Diplomatic correspondent Aluf Benn wrote in the independent, left-leaning Ha'aretz (11/16): "Olmert's diplomatic target is a 'shelf agreement' in which the Palestinians will be coerced to sign an agreement against their will: Israel as the state of the Jewish people and Palestine as the state of the Palestinian people. The

agreement will present a model for the resolution of the conflict and will be endorsed by the UN Security Council...The implementation of the agreement will be postponed -- maybe for many years, until the Palestinian Authority recovers and presents a proper system of government and defense. Until then the situation in the West Bank will continue, with the IDF and the settlers, but nobody will be able to claim that Israel; is an occupier, a land-grabber, and a snatcher of Palestinian rights: Israel has agreed to withdraw from the territories and is only waiting for the Palestinians to pull through."

II. "Assassinating Annapolis"

Political parties correspondent Yossi Verter wrote in Ha'aretz (11/16): "Paradoxically, for [cabinet ministers Avigdor Lieberman from Yisrael Beiteinu and Eli Yishai from Shas], the 'Annapolis declaration' will be a double blessing: It will leave them in their cabinet seats, with all the goodies that go with that, and will also allow them to boast to their voters about their targeted assassination of the summit -- to which, by the time of this writing, official invitations had yet to be issued. (The joke making the rounds in right-wing circles these days is: 'Why haven't invitations been issued for the summit yet? Because you send out wedding invitations two months ahead of time, but invites to a funeral only go out the day before.') People who have spoken with Lieberman during the last few days got the impression that he is taking most of the credit for transforming Annapolis from a formative event in the history of the Middle East to a 'get-together' lasting just a few hours."

III. "A Stupid Demand"

Senior columnist and longtime dove Yoel Marcus wrote in Ha'aretz (11/16): "Neither side wants to be blamed for the failure of the summit, which is shaping up as a kind of multi-delegation, global conference orchestrated by the President of the United States. And then we wake up one morning to the announcement by the Palestinian Authority's chief negotiator, Saeb Erekat, who says the PA is planning to recognize Israel's right to exist (well, thank you, Mr. Erekat), 'but will not recognize Israel as a Jewish state.' You read that statement over and over, and try not to explode. Especially at our stupidity at even making the demand that they recognize for us our Jewishness... The ever-present threat against the very fact of Israel's existence is what has caused, or at least encouraged, the expansion into the territories by tens of thousands of settlers. It is this threat that eggs on the Jewish extremists and has turned this country, which has longed so much to live in peace, into a country of occupiers. We exist, and we are a Jewish state. The Arab countries that attacked after Israel's Declaration of Independence did do because it was a Jewish state. We made peace with Egypt and Jordan in spite of being a Jewish state. If there is anyone who needs recognition, it's the Palestinians."

IV. "The 'Jewish Israel' Genie"

Editor-in-Chief David Horovitz wrote in the conservative, independent Jerusalem Post (11/16): "As Annapolis looms closer, with even its scaled down joint statement of principles still anything but finalized, Olmert is said to be confident that the 'Jewish Israel' genie he chose to let loose will yet be satisfactorily addressed there. That confidence is not shared by the Israeli negotiating team that is attempting to formulate a mutually acceptable text for the Palestinians. But [Palestinian negotiator Saeb] Erekat ... also reckoned it would not derail resumption of the negotiating process.... Israel committed a strategic error in not requiring that Palestinians to recognize Israel as the 'Jewish state' at the very start of the attempts at peace making almost 20 years ago. Postponement of that moment of fundamental reckoning has only spilled bloodshed and the development of the false sense on the Palestinian side that it can yet be subverted."

JONES